

State of Arizona
House of Representatives
Forty-eighth Legislature
Second Regular Session
2008

HOUSE BILL 2732

AN ACT

AMENDING SECTIONS 28-2001, 28-2055, 28-2154, 28-2154.01 AND 42-5009, ARIZONA
REVISED STATUTES; RELATING TO VEHICLE REGISTRATION REQUIREMENTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 28-2001, Arizona Revised Statutes, is amended to
3 read:

4 28-2001. Definitions

5 A. "Resident", for the purpose of registration and operation of motor
6 vehicles:

7 1. Except as provided by paragraph 2, means the following:

8 (a) A person who, regardless of domicile, remains in this state for an
9 aggregate period of seven months or more during a calendar year.

10 (b) A person who engages in a trade, profession or occupation in this
11 state or who accepts employment in other than either:

12 (i) Seasonal agricultural work.

13 (ii) Temporary seasonal work for a period of not more than three
14 months if the state in which the temporary seasonal worker is permanently
15 domiciled has a similar exception.

16 (c) A person who places children in a public school without payment of
17 nonresident tuition.

18 (d) A person who declares that the person is a resident of this state
19 for the purpose of obtaining at resident rates a state license or tuition
20 fees at an educational institution maintained by public monies.

21 (e) An individual, partnership, company, firm, corporation or
22 association that maintains a main office, a branch office or warehouse
23 facilities in this state and that bases and operates motor vehicles in this
24 state.

25 (f) An individual, partnership, company, firm, corporation or
26 association that operates motor vehicles in intrastate transportation, for
27 other than seasonal agricultural work.

28 (g) A PERSON WHO IS REGISTERED TO VOTE IN THIS STATE.

29 2. Does not mean:

30 (a) A nonresident owner of a foreign vehicle that is registered and
31 licensed in a state adjoining this state and that is used in this state for
32 other than the transportation of passengers or property for compensation, if
33 the nonresident owner and vehicle are domiciled in an adjoining state but
34 within twenty-five miles of the border of this state and if the state in
35 which the owner resides and in which the vehicle is registered exempts from
36 payment of registration and weight fees like vehicles from this state,
37 regardless of whether the nonresident owner engages in a trade, profession or
38 occupation in this state or accepts employment.

39 (b) An out-of-state student enrolled with seven or more semester hours
40 regardless of whether the student engages in a trade, profession or
41 occupation in this state or accepts employment in this state. For the
42 purposes of this paragraph, "out-of-state student" means either:

1 (i) A person who is enrolled at an educational institution maintained
2 by public monies and who is not classified as an in-state student under
3 section 15-1802.

4 (ii) A person who is a student at a private educational institution
5 and who would not be classified as an in-state student under section 15-1802
6 if the student were attending a public educational institution.

7 (c) A nonresident daily commuter as defined in section 28-2291.

8 B. In this chapter, unless the context otherwise requires:

9 1. "Mobile home" means a structure that is transportable in one or
10 more sections, including the plumbing, heating, air conditioning and
11 electrical systems that are contained in the structure, and that, when
12 erected on site, is either of the following:

13 (a) More than eight body feet in width, thirty-two body feet or more
14 in length and built on a permanent chassis.

15 (b) Regardless of the size, used as a single family dwelling or for
16 commercial purposes with or without a permanent foundation.

17 2. "Serial number" means the number placed on the vehicle by its
18 manufacturer or assigned pursuant to section 28-2165.

19 Sec. 2. Section 28-2055, Arizona Revised Statutes, is amended to read:

20 28-2055. Certificate of title; content requirements; delivery

21 A. The department or an authorized third party shall print the
22 certificate of title, and it shall contain forms for assignment of title or
23 interest and warranty by the owner, with space for notation of liens and
24 encumbrances on the vehicle at the time of transfer. The certificate of
25 title shall also contain the odometer mileage disclosure statement pursuant
26 to section 28-2058.

27 B. AT THE REQUEST OF THE OWNER AND ON PAYMENT OF A FEE PRESCRIBED BY
28 THE DEPARTMENT BY RULE, THE CERTIFICATE OF TITLE MAY CONTAIN, BY ATTACHMENT,
29 A TRANSFER ON DEATH PROVISION WHERE THE OWNER MAY DESIGNATE A BENEFICIARY OF
30 THE TITLE. THE ATTACHMENT SHALL INCLUDE A NOTICE TO THE OWNER AND ANY
31 BENEFICIARY THAT THE MONETARY LIMITATION ON THE TRANSFER OF PERSONAL PROPERTY
32 IN A DECEDENT'S ESTATE PRESCRIBED IN SECTION 14-3971 MAY APPLY.

33 ~~B.~~ C. If a motor vehicle, trailer or semitrailer has been registered
34 in any other state or country, the department shall retain in its records the
35 name of the state or country in which the prior registration took place.

36 ~~C.~~ D. Except as provided in section 28-2064, the department shall
37 deliver or mail the original certificate of title to:

38 1. The applicant if there are not any liens or encumbrances on the
39 certificate of title.

40 2. The holder of the lien or encumbrance first in time on the date of
41 the application if there are liens or encumbrances on the certificate of
42 title.

1 Sec. 3. Section 28-2154, Arizona Revised Statutes, is amended to read:
2 28-2154. Special registrations

3 A. A nonresident who purchases an unregistered vehicle in this state
4 for removal to the state of residence of the purchaser shall obtain a special
5 ninety day nonresident registration permit for the vehicle. The nonresident
6 shall obtain the special ninety day nonresident registration permit by
7 applying to the department, to an authorized third party or to a motor
8 vehicle dealer as defined in section 28-4301 and by paying the fees
9 prescribed by section 28-2003. UNLESS THE NONRESIDENT PURCHASER HAS
10 COMPLETED A FORM PRESCRIBED BY SECTION 42-5009, SUBSECTION I, an affidavit in
11 a form prescribed by the director shall accompany the application and shall
12 contain the following statements:

13 1. The purchaser is not a resident of this state as defined in section
14 28-2001. For the purposes of this section and section 28-2154.01, the
15 purchaser shall present to the department, an authorized third party or a
16 motor vehicle dealer a driver license or other evidence prescribed by the
17 director showing that the purchaser is not a resident of this state.

18 2. The vehicle is purchased to be registered out of state within
19 ninety days after the issuance of the special ninety day nonresident
20 registration permit.

21 3. The vehicle is not purchased for transfer to a resident of this
22 state.

23 ~~4. The purchaser is liable for any tax, penalty and interest that is~~
24 ~~due under title 42, chapter 5 if the purchaser registers the vehicle in this~~
25 ~~state within three hundred sixty five days after the issuance of the special~~
26 ~~ninety day nonresident registration permit.~~

27 ~~5.~~ 4. Other information that the director deems necessary.

28 B. At the time of application for a special ninety day nonresident
29 registration permit, the purchaser shall submit for inspection proper
30 evidence of ownership of the vehicle to be registered. The special ninety
31 day nonresident registration permit is valid for not more than ninety days
32 from the date of issuance and shall be in the form prescribed by the
33 director. A person who obtains a special ninety day nonresident registration
34 permit on a semitrailer that has been manufactured in this state may use the
35 semitrailer for commercial purposes if the semitrailer is being used to
36 transport goods from this state, subject to the payment of any taxes
37 prescribed by this title.

38 C. An enrolled member of an Indian tribe who resides on the Indian
39 reservation established for that tribe and who purchases an unregistered
40 vehicle in this state for removal to the Indian reservation shall obtain a
41 special ninety day nonresident registration permit for the vehicle. The
42 member may obtain the special ninety day nonresident registration permit by
43 applying to the department, to an authorized third party or to any motor
44 vehicle dealer as defined by section 28-4301 and by payment of the fees
45 prescribed by section 28-2003.

1 D. A resident who does not have complete documentation for issuance of
2 an Arizona title and registration on a noncommercial vehicle but who has
3 established ownership of the vehicle to the satisfaction of the department
4 may receive a special ninety day resident registration by applying and paying
5 the fee prescribed by section 28-2003 to the department. The basis of
6 assessment for the full annual registration fee and vehicle license tax
7 relates back to the date of issuance of the first special ninety day resident
8 registration.

9 E. A resident may receive a second consecutive special ninety day
10 resident registration on application and payment of the fee prescribed by
11 section 28-2003 if:

12 1. The person has applied for a bonded title and the title has not
13 been issued during the first ninety day registration.

14 2. The person is awaiting settlement of an estate.

15 3. The person is awaiting lien clearance.

16 4. The person is awaiting a hearing decision as a result of a title
17 complaint.

18 5. The person is awaiting the issuance of honorary consular official
19 special license plates.

20 6. The director determines other circumstances justify the issuance.

21 F. At the discretion of the director, a resident may receive more than
22 two consecutive special ninety day resident registrations for a vehicle in a
23 twelve month period.

24 G. If there is a judgment against a resident of this state in another
25 state that requires suspension of the resident's vehicle registration, in
26 lieu of suspension of the resident's vehicle registration the department may
27 issue a special temporary registration for the resident's vehicle that is
28 valid for a period of not more than one hundred eighty days.

29 Sec. 4. Section 28-2154.01, Arizona Revised Statutes, is amended to
30 read:

31 28-2154.01. Special ninety day nonresident registration
32 permits; procedures; department of revenue
33 actions

34 A. A dealer or an authorized third party that issues a special ninety
35 day nonresident registration permit pursuant to section 28-2154 shall send an
36 electronic record of the permit to the department through an authorized third
37 party or through the department's authorized third party electronic service
38 provider.

39 B. The department, an authorized third party or a dealer shall not:

40 1. Issue, assign or deliver a special ninety day nonresident
41 registration permit to any person ~~other than a bona fide purchaser or~~
42 ~~authorized representative of a bona fide purchaser of a vehicle who is not a~~
43 ~~resident as defined in section 28-2001~~ UNLESS THE PERSON DOES ALL OF THE
44 FOLLOWING:

1 (a) OBTAINS THE SPECIAL NINETY DAY NONRESIDENT REGISTRATION PERMIT
2 PURSUANT TO SECTION 28-2154.

3 (b) COMPLETES AN AFFIDAVIT IN A FORM PRESCRIBED BY THE DIRECTOR
4 PURSUANT TO SECTION 28-2154 OR COMPLETES A FORM PRESCRIBED BY SECTION
5 42-5009, SUBSECTION I.

6 (c) PRESENTS TO THE DEPARTMENT, AUTHORIZED THIRD PARTY OR MOTOR
7 VEHICLE DEALER A CURRENTLY VALID DRIVER LICENSE ISSUED BY ANOTHER STATE
8 INDICATING AN ADDRESS OUTSIDE OF THIS STATE.

9 ~~2- (d) Issue a special ninety day nonresident registration permit~~
10 ~~unless the purchaser files an affidavit as prescribed in section 28-2154 and~~
11 Provides any other information REASONABLY AND UNIFORMLY required by the
12 department of transportation PURSUANT TO SECTION 28-2154 or the department of
13 revenue PURSUANT TO SECTION 42-5009, SUBSECTION I.

14 ~~3- 2.~~ Issue and affix, as prescribed in subsection C of this section,
15 a special ninety day nonresident registration permit unless the permit is
16 recorded in the electronic records of the department.

17 C. A person who issues a special ninety day nonresident registration
18 permit shall affix or insert, clearly and indelibly, on the face of each
19 permit the dates of issuance and expiration and the make and vehicle
20 identification number of the vehicle. The special ninety day nonresident
21 registration permit shall not bear the name or address of the person who
22 purchased the vehicle in a position that is legible from outside of the
23 vehicle.

24 D. A dealer or authorized third party who issues a special ninety day
25 nonresident registration permit shall maintain a record, in a form prescribed
26 by the director, of all special ninety day nonresident registration permits
27 issued by the dealer or authorized third party and a record of other
28 information pertaining to the issuance of special ninety day nonresident
29 registration permits that the department of transportation or the department
30 of revenue requires.

31 E. The dealer or authorized third party shall keep each record for at
32 least three years after the date of entry of the record.

33 F. A dealer or authorized third party shall allow the director of the
34 department of transportation or the director of the department of revenue
35 full and free access to the records during regular business hours.

36 G. The electronic record is written notice of the removal of the
37 vehicle from this state for use in the purchaser's state of residence and
38 relieves the dealer or authorized third party of liability in accordance with
39 THE REQUIREMENTS OF section 42-5009.

40 H. If a purchaser registers the vehicle in this state within three
41 hundred sixty-five days after the issuance of the special ninety day
42 nonresident registration permit, the purchaser is liable in an amount equal
43 to any tax, penalty and interest that the motor vehicle dealer or authorized
44 third party would have been required to pay under title 42, chapter 5 AND
45 UNDER ARTICLES IV AND VI OF THE MODEL CITY TAX CODE AS DEFINED IN

1 SECTION 42-6051. At the time of issuing the special ninety day nonresident
2 registration permit, a motor vehicle dealer or authorized third party shall
3 inform the purchaser IN WRITING of the PURCHASER'S liability described in
4 this section. SUBSEQUENT REGISTRATION OR USE OF THE VEHICLE IN THIS STATE
5 DOES NOT CREATE A CAUSE OF ACTION AGAINST A DEALER OR AUTHORIZED THIRD PARTY
6 THAT COMPLIES WITH SECTION 28-2154, SUBSECTION A, THIS SECTION AND SECTION
7 42-5009, SUBSECTION I.

8 I. The department of transportation and the department of revenue
9 shall jointly develop and prescribe forms for the motor vehicle dealer, the
10 authorized third party and the purchaser to complete for the proper
11 administration and enforcement of this section.

12 J. Compliance with this section and section 28-2154 allows delivery of
13 the vehicle to a nonresident purchaser in this state and retains the
14 applicable ~~exemptions~~ DEDUCTIONS pursuant to section 42-5061, subsection A,
15 paragraph 28, SUBDIVISION (a) AND SUBSECTION U.

16 Sec. 5. Section 42-5009, Arizona Revised Statutes, is amended to read:

17 42-5009. Certificates establishing deductions; liability for
18 making false certificate

19 A. A person who conducts any business classified under article 2 of
20 this chapter may establish entitlement to the allowable deductions from the
21 tax base of that business by both:

22 1. Marking the invoice for the transaction to indicate that the gross
23 proceeds of sales or gross income derived from the transaction was deducted
24 from the tax base.

25 2. Obtaining a certificate executed by the purchaser indicating the
26 name and address of the purchaser, the precise nature of the business of the
27 purchaser, the purpose for which the purchase was made, the necessary facts
28 to establish the appropriate deduction and the tax license number of the
29 purchaser to the extent the deduction depends on the purchaser conducting
30 business classified under article 2 of this chapter and a certification that
31 the person executing the certificate is authorized to do so on behalf of the
32 purchaser. The certificate may be disregarded if the seller has reason to
33 believe that the information contained in the certificate is not accurate or
34 complete.

35 B. A person who does not comply with subsection A of this section may
36 establish entitlement to the deduction by presenting facts necessary to
37 support the entitlement, but the burden of proof is on that person.

38 C. The department may prescribe a form for the certificate described
39 in subsection A of this section. Under such rules as it may prescribe, the
40 department may also describe transactions with respect to which a person is
41 not entitled to rely solely on the information contained in the certificate
42 provided for in subsection A of this section but must instead obtain such
43 additional information as required by the rules in order to be entitled to
44 the deduction.

1 D. If a seller is entitled to a deduction by complying with subsection
2 A of this section, the department may require the purchaser which caused the
3 execution of the certificate to establish the accuracy and completeness of
4 the information required to be contained in the certificate which would
5 entitle the seller to the deduction. If the purchaser cannot establish the
6 accuracy and completeness of the information, the purchaser is liable in an
7 amount equal to any tax, penalty and interest which the seller would have
8 been required to pay under this article if the seller had not complied with
9 subsection A of this section. Payment of the amount under this subsection
10 exempts the purchaser from liability for any tax imposed under article 4 of
11 this chapter. The amount shall be treated as ~~a transaction privilege tax to~~
12 ~~the purchaser and as~~ tax revenues collected from the seller in order to
13 designate the distribution base for purposes of section 42-5029.

14 E. If a seller is entitled to a deduction by complying with subsection
15 B of this section, the department may require the purchaser to establish the
16 accuracy and completeness of the information provided to the seller that
17 entitled the seller to the deduction. If the purchaser cannot establish the
18 accuracy and completeness of the information, the purchaser is liable in an
19 amount equal to any tax, penalty and interest that the seller would have been
20 required to pay under this article if the seller had not complied with
21 subsection B of this section. Payment of the amount under this subsection
22 exempts the purchaser from liability for any tax imposed under article 4 of
23 this chapter. The amount shall be treated as ~~a transaction privilege tax to~~
24 ~~the purchaser and as~~ tax revenues collected from the seller in order to
25 designate the distribution base for purposes of section 42-5029.

26 F. The department may prescribe a form for a certificate used to
27 establish entitlement to the deductions described in section 42-5061,
28 subsection A, paragraph 47 and section 42-5063, subsection B, paragraph 3.
29 Under rules the department may prescribe, the department may also require
30 additional information for the seller to be entitled to the deduction. If a
31 seller is entitled to the deductions described in section 42-5061, subsection
32 A, paragraph 47 and section 42-5063, subsection B, paragraph 3, the
33 department may require the purchaser who executed the certificate to
34 establish the accuracy and completeness of the information contained in the
35 certificate that would entitle the seller to the deduction. If the purchaser
36 cannot establish the accuracy and completeness of the information, the
37 purchaser is liable in an amount equal to any tax, penalty and interest that
38 the seller would have been required to pay under this article. Payment of
39 the amount under this subsection exempts the purchaser from liability for any
40 tax imposed under article 4 of this chapter. The amount shall be treated as
41 ~~a transaction privilege tax to the purchaser and as~~ tax revenues collected
42 from the seller in order to designate the distribution base for purposes of
43 section 42-5029.

1 G. If a seller claims a deduction under section 42-5061, subsection A,
2 paragraph 25 and establishes entitlement to the deduction with an exemption
3 letter that the purchaser received from the department and the exemption
4 letter was based on a contingent event, the department may require the
5 purchaser that received the exemption letter to establish the satisfaction of
6 the contingent event within a reasonable time. If the purchaser cannot
7 establish the satisfaction of the event, the purchaser is liable in an amount
8 equal to any tax, penalty and interest that the seller would have been
9 required to pay under this article if the seller had not been furnished the
10 exemption letter. Payment of the amount under this subsection exempts the
11 purchaser from liability for any tax imposed under article 4 of this chapter.
12 The amount shall be treated as ~~a transaction privilege tax to the purchaser~~
13 ~~and as~~ tax revenues collected from the seller in order to designate the
14 distribution base for purposes of section 42-5029. For the purposes of this
15 subsection, "reasonable time" means a time limitation that the department
16 determines and that does not exceed the time limitations pursuant to section
17 42-1104.

18 H. From and after December 31, 2005 through December 31, 2010, the
19 department shall prescribe a form for a certificate used to establish
20 entitlement to the deductions described in section 42-5061, subsection B,
21 paragraph 23, [SECTION 42-5066, SUBSECTION B, PARAGRAPH 5](#), section 42-5070,
22 subsection C, paragraph 2, section 42-5074, subsection B, paragraph 10,
23 section 42-5075, subsection B, paragraph 20 and section 42-5159, subsection
24 B, paragraph 23 relating to motion picture production. The certificate is
25 effective for twelve consecutive calendar months from and after the date of
26 issuance and is subject to the following requirements and conditions:

27 1. A motion picture production company as defined in section 41-1517
28 may use a certificate issued pursuant to this subsection only with respect to
29 production costs described in section 41-1517, subsection A, paragraph 2 that
30 are subject to taxation under article 2 or 4 of this chapter.

31 2. The department shall issue the certificate to a motion picture
32 production company on receiving the company's letter of qualification from
33 the department of commerce, except as otherwise provided in this subsection.

34 3. The department shall not issue a certificate to a motion picture
35 production company that has a delinquent tax balance owing to the department
36 under this title or title 43.

37 4. If the department determines that a motion picture production
38 company no longer qualifies for a certificate ~~of exemption~~ or has used the
39 certificate ~~of exemption~~ for unauthorized purposes, the department shall
40 revoke the certificate ~~of exemption~~ and the motion picture production company
41 is liable for an amount equal to the transaction privilege and use taxes that
42 would have been due on taxable transactions during the time the company did
43 not qualify for or improperly used the certificate, with interest and
44 penalties as provided by law.

1 5. The department shall maintain annual data on the total amount of
2 monies exempted through the use of certificates issued pursuant to this
3 subsection and shall provide those data to the department of commerce on
4 request.

5 6. The department of revenue, with the cooperation of the department
6 of commerce, shall adopt rules and publish and prescribe forms and procedures
7 as necessary to effectuate the purposes of this subsection.

8 7. If, after audit, the department determines that a motion picture
9 production company failed to meet any of the requirements prescribed by this
10 subsection, any deductions from taxation from the use of the certificate are
11 subject to recapture and payment by the motion picture production company to
12 the department.

13 I. THE DEPARTMENT SHALL PRESCRIBE FORMS FOR CERTIFICATES USED TO
14 ESTABLISH THE SATISFACTION OF THE CRITERIA NECESSARY TO QUALIFY THE SALE OF A
15 MOTOR VEHICLE FOR THE DEDUCTIONS DESCRIBED IN SECTION 42-5061, SUBSECTION A,
16 PARAGRAPH 14, PARAGRAPH 28, SUBDIVISION (a) AND PARAGRAPH 45 AND
17 SUBSECTION U. TO ESTABLISH ENTITLEMENT TO THESE DEDUCTIONS, A MOTOR VEHICLE
18 DEALER SHALL RETAIN:

19 1. A VALID CERTIFICATE AS PRESCRIBED BY THIS SUBSECTION COMPLETED BY
20 THE PURCHASER AND OBTAINED PRIOR TO THE ISSUANCE OF THE NONRESIDENT
21 REGISTRATION PERMIT AUTHORIZED BY SECTION 28-2154.

22 2. A COPY OF THE NONRESIDENT REGISTRATION PERMIT AUTHORIZED BY SECTION
23 28-2154.

24 3. A LEGIBLE COPY OF A CURRENT VALID DRIVER LICENSE ISSUED TO THE
25 PURCHASER BY ANOTHER STATE OR FOREIGN COUNTRY THAT INDICATES AN ADDRESS
26 OUTSIDE OF THIS STATE. FOR THE SALE OF A MOTOR VEHICLE TO A NONRESIDENT
27 ENTITY, THE ENTITY'S REPRESENTATIVE MUST HAVE A CURRENT VALID DRIVER LICENSE
28 ISSUED BY THE SAME JURISDICTION AS THAT IN WHICH THE ENTITY IS LOCATED.

29 4. FOR THE PURPOSES OF THE DEDUCTION PROVIDED BY SECTION 42-5061,
30 SUBSECTION A, PARAGRAPH 14, A CERTIFICATE DOCUMENTING THE DELIVERY OF THE
31 MOTOR VEHICLE TO AN OUT OF STATE LOCATION.

32 J. NOTWITHSTANDING SUBSECTION A, PARAGRAPH 2 OF THIS SECTION, IF A
33 MOTOR VEHICLE DEALER HAS ESTABLISHED ENTITLEMENT TO A DEDUCTION BY COMPLYING
34 WITH SUBSECTION I OF THIS SECTION, THE DEPARTMENT MAY REQUIRE THE PURCHASER
35 WHO EXECUTED THE CERTIFICATE TO ESTABLISH THE ACCURACY AND COMPLETENESS OF
36 THE INFORMATION CONTAINED IN THE CERTIFICATE THAT ENTITLED THE MOTOR VEHICLE
37 DEALER TO THE DEDUCTION. IF THE PURCHASER CANNOT ESTABLISH THE ACCURACY AND
38 COMPLETENESS OF THE INFORMATION, THE PURCHASER IS LIABLE IN AN AMOUNT EQUAL
39 TO ANY TAX, PENALTY AND INTEREST THAT THE MOTOR VEHICLE DEALER WOULD HAVE
40 BEEN REQUIRED TO PAY UNDER THIS ARTICLE AND UNDER ARTICLES IV AND V OF THE
41 MODEL CITY TAX CODE AS DEFINED IN SECTION 42-6051. PAYMENT OF THE AMOUNT
42 UNDER THIS SUBSECTION EXEMPTS THE PURCHASER FROM LIABILITY FOR ANY TAX
43 IMPOSED UNDER ARTICLE 4 OF THIS CHAPTER AND ANY TAX IMPOSED UNDER ARTICLE VI
44 OF THE MODEL CITY TAX CODE AS DEFINED IN SECTION 42-6051. THE AMOUNT SHALL

1 BE TREATED AS TAX REVENUES COLLECTED FROM THE MOTOR VEHICLE DEALER IN ORDER
2 TO DESIGNATE THE DISTRIBUTION BASE FOR PURPOSES OF SECTION 42-5029.

3 K. NOTWITHSTANDING ANY OTHER LAW, COMPLIANCE WITH SUBSECTION I OF THIS
4 SECTION BY A MOTOR VEHICLE DEALER ENTITLES THE MOTOR VEHICLE DEALER TO THE
5 EXEMPTION PROVIDED IN SECTION 42-6004, SUBSECTION A, PARAGRAPH 4.

6 Sec. 6. Interim application

7 A. For the period beginning August 25, 2004, through the effective
8 date of this act, a motor vehicle dealer that has claimed a deduction under
9 section 42-5061, subsection A, paragraph 14, paragraph 28, subdivision (a) or
10 subsection U, Arizona Revised Statutes, or the exemption provided in section
11 42-6004, subsection A, paragraph 4, Arizona Revised Statutes, and that has
12 obtained all of the following from the purchaser of the motor vehicle shall
13 be deemed to have complied with the requirements documenting a purchaser's
14 nonresident status:

15 1. An affidavit of the purchaser's nonresident status.

16 2. A copy of a current valid driver license issued in the name of the
17 purchaser by another state or foreign country that indicates an address
18 outside of this state.

19 3. A special ninety day nonresident registration permit issued
20 pursuant to section 28-2154, Arizona Revised Statutes.

21 B. Documentation of delivery of the motor vehicle outside of this
22 state shall substantiate this requirement of the deduction provided in
23 section 42-5061, subsection A, paragraph 14, Arizona Revised Statutes, and
24 the exemption provided in section 42-6004, subsection A, paragraph 4, Arizona
25 Revised Statutes.

26 C. The subsequent use of the motor vehicle by the purchaser in this
27 state does not disqualify the motor vehicle dealer from the deduction
28 provided by section 42-5061, subsection A, paragraph 14, paragraph 28,
29 subdivision (a) or subsection U, Arizona Revised Statutes, or the exemption
30 provided in section 42-6004, subsection A, paragraph 4, Arizona Revised
31 Statutes.